

EBA BS 2018 466

13 December 2018

## Request for adoption of the 2019 EBA budget and establishment plan

The EBA’s Financial Regulation Article 33 states that the Board of Supervisors adopts the EBA budget and establishment plan after it has been adopted by the budgetary authority (European Parliament and Council).

### Budget 2019 - Revenue

In January 2018, the Board of Supervisors approved the EBA’s 2019 single programming document (SPD) with a budget request of EUR 47 412 000 and an establishment plan of 157 temporary agents (TA). This was submitted to the European Commission, which then presented in June 2018 a Draft Budget showing an EU subsidy of EUR 19 887 600 and 157 TA. During the conciliation process, the Council and the European Parliament agreed to the Commission’s proposed subsidy amount but reduced the number of TA to 155. The European Parliament adopted these figures in plenary session on 13 December 2018.

Figure 1: Summary of 2018 budget by funding source, with comparison to 2017 budget

Revenue type	Budget 2019	Budget 2018	Change	% change
EU subsidy	19 887 600	16 165 601	3 721 999	23.0%
<i>NCA contribution:</i>				
EU NCA	27 160 690	25 689 007	1 471 683	5.7%
EFTA NCA	771 610	729 801	41 809	5.7%
<b>Total revenue</b>	<b>47 819 900</b>	<b>42 584 409</b>	<b>5 235 491</b>	<b>12.3%</b>

### How the revenue is calculated

The basis for the total revenue is the EU subsidy. The figure of EUR 19 158 256 adopted by the European Parliament is net of the EU part of the 2017 surplus (EUR 729 344) so we add this back to get the actual EU subsidy to the EBA for 2019 of EUR 19 887 600.

To calculate the NCA contributions:

1. This year, we first have to subtract from the EU subsidy the total amounts proposed for both the ESAs review (EUR 1 725 100) and AML (EUR 747 900);
2. We then multiply the result by 1.5 to get the EU National Competent Authority (NCA) contributions, i.e. applying the 40:60 ratio set out in the EBA basic act. On top of this we add the EFTA NCA contributions in the proportion 352:10 to reflect the NCA voting weights, i.e. we multiply the EU NCA contributions by 10/352 to get the EFTA NCA contributions. We then add to the NCA contributions the employer’s pension contributions: the EU-funded element of this is paid directly by the EU and so does not go through the EBA budget, only the proportion funded by the NCA. The pension is also split 352:10 between EU and EFTA NCA. Figure 2 shows the result of these calculations.

Figure 2: Summary of 2019 revenue calculation

Revenue type	EU	EFTA	Total 2019
ESA review	1 725 100	-	1 725 100
AML	747 900	-	747 900
General EU subsidy	17 414 600	-	17 414 600
<b>Total EU subsidy</b>	<b>19 887 600</b>	-	<b>19 887 600</b>
NCA contribution - general	25 400 301	721 599	26 121 900
NCA contribution – pension	1 760 389	50 011	1 810 400
<b>Total NCA contribution</b>	<b>27 160 690</b>	<b>771 610</b>	<b>27 932 300</b>
<b>Total revenue</b>	<b>47 048 290</b>	<b>771 610</b>	<b>47 819 900</b>

Annex 1 shows the contribution detail by NCA.

## Budget 2019 - Expenditure

Figure 3: Summary of 2019 budget by title, and comparison to 2018 budget

Expenditure	Budget 2019	Budget 2018	Change	% change
1 – Staff costs	33 317 600	27 177 009	+6 140 501	+23%
2 – Administrative costs	7 880 600	8 167 400	-286 800	-4%
3 – Operational costs	6 621 700	7 240 000	-618 300	-9%
<b>Total expenditure</b>	<b>47 819 900</b>	<b>42 584 409</b>	<b>5 235 491</b>	<b>+12%</b>

Annex 2 shows the detailed 2019 budget at budget line level, compared to the 2017 outturn and 2018 adopted budget (amended).

The increase in the total budget is driven by two principal factors:

- The increase in the total number of staff;
- The relocation to Paris, for which the EBA is obliged under the Staff Regulations to pay installation allowances and daily subsistence allowances. While the EBA will strive to minimise the costs of having offices in two locations, partly by using the French Government contribution to the Paris lease costs and building charges, some extra costs will arise.

## Establishment plan 2019

The European Parliament approved 155 temporary agent positions for the EBA in 2019. This is referred to as the Establishment Plan. Contract agents and seconded national experts are not part of the Establishment Plan. The table below shows the EBA staffing movement from 2018 to 2019.

Figure 4: Summary of 2018 staffing with comparison to 2018

Staff	2019	2018	Change	% change
Establishment plan posts : AD	144	134	+10	+7.5%
Establishment plan posts : AST	11	11	-	0%
<b>Total establishment plan posts</b>	<b>155</b>	<b>145</b>	<b>+10</b>	<b>+6.9%</b>
Contract agents	60	42	+18	+42.9%
Seconded national experts	17	16	+1	+6.3%
<b>Total staffing</b>	<b>232</b>	<b>203</b>	<b>+18</b>	<b>+14.3%</b>

The staffing increases are driven by:

- ESA review: +8 TA, +5 CA
- AML: +2 TA, +2 CA
- Replacement of interim staff by contract agents in Paris: +11 CA

Annex 3 shows the full 2019 establishment plan by staff grade.

## Financing decision 2019

Article 68 of the EBA financial regulation requires that every commitment of non-administrative expenditure by the EBA be preceded by a financing decision, but goes on to state that the annual work programme (AWP) shall be equivalent to a financing decision where it contains the elements set out in Article 32(3). It is the view of the EBA that AWP does contain these elements and that, as such, it is equivalent to a financing decision.

**The Board of Supervisors is kindly requested to adopt the EBA 2019 Budget and Establishment Plan.**

Annexes:

1. Contributions detail
2. Detailed 2019 budget
3. Staffing and establishment plan